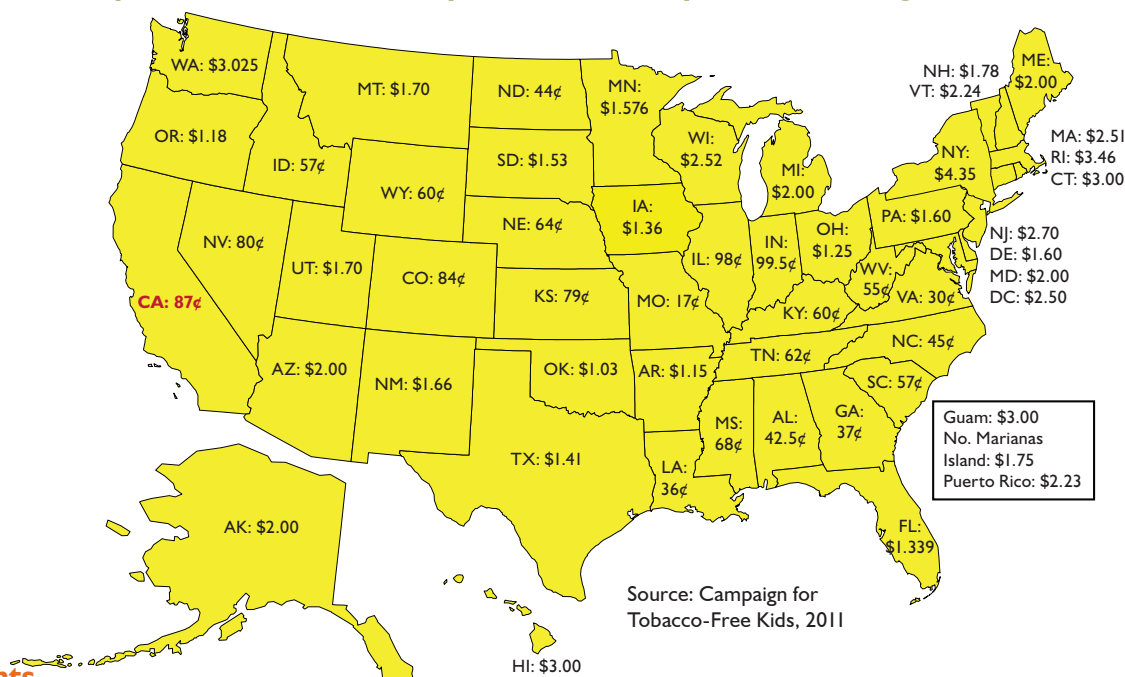


# PRICE OF TOBACCO IN CALIFORNIA

According to the World Health Organization, the most effective method for reducing tobacco consumption is to increase the price of tobacco products through tax increases.<sup>1</sup>



## Key Points

Raising tobacco prices is the single most effective way to reduce tobacco use, save lives and decrease health care costs.<sup>2</sup> Higher tobacco prices:

- Make tobacco products less affordable to youth and will discourage youth from starting smoking.<sup>1</sup>
- Motivate those with a lower income to decrease tobacco consumption and redirect spending on food, shelter, education and health care.<sup>1,3</sup>
- Increase government revenues, even with reduced consumption. These revenues have been directed towards tobacco-related prevention and research programs that save lives and create jobs in states like California.<sup>4,5</sup>

## California's \$0.87 cent per-pack cigarette excise tax:<sup>6</sup>

- Is one of the lowest in the country, ranking 33<sup>rd</sup> in the nation;
- Is below the average state cigarette excise tax of \$1.34 per pack;
- Does not meet the per pack cigarette tax increase of \$1.50 per decade recommended by the Centers for Disease Control and Prevention<sup>2</sup>;
- Has not changed since 1999.

Information on this page was adapted from the Campaign for Tobacco-Free Kids, 2010. For additional information, see the Campaign's website at <http://tobaccofreekids.org/reports/prices>.

<sup>1</sup> World Health Organization (WHO). WHO Report on the Global Tobacco Epidemic, 2008: The MPOWER Package. Geneva: 2008. Available from [www.who.int/entity/tobacco/mpower/mpower\\_report\\_full\\_2008.pdf](http://www.who.int/entity/tobacco/mpower/mpower_report_full_2008.pdf).

<sup>2</sup> Campaign for Tobacco-Free Kids, Taxation and Price: Essential Facts, CTCP Regional Forums.

<sup>3</sup> U.S. Centers for Disease Control and Prevention, "Responses to increases in cigarette prices by race/ethnicity, income, and age groups—United States 1976-1993." Morbidity and Mortality Weekly Report, 1998 July 31;47(29):605-9.

<sup>4</sup> Chaloupka, F. Tobacco Pricing and Price Manipulation - One Economist's Perspective, CTCP Los Angeles Regional Forum, January 20, 2011.

<sup>5</sup> van Walbeek C, "The economics of tobacco control in South Africa" [PHD thesis]: University of Cape Town; 2005

<sup>6</sup> Campaign for Tobacco-Free Kids, August 3, 2010/Eric Lindblom, for additional information see the Campaign's website at <http://tobaccofreekids.org/reports/prices>. Sources: Orzechowski & Walker, Tax Burden on Tobacco 2009, media reports.